

The United States this year at the world economic forum in Switzerland was voted the most productive economy in the world for the very first time in 9 long years—9 years. We are coming back. We need a fair chance to sell America's products and services around the world, just as we can promote America's ideals and values around the world. And that's what this trip was all about. That's what my work is all about.

And without regard to our party, let us agree, there's no easy line between our role in the world and our role at home. We can't be strong abroad if we're not strong at home. We'll never be strong at home if we withdraw from our responsibilities around the world. What really makes us strong is strong families, good education, safe streets, good jobs, and national security. You, as much as any group in America today, embody all those, and all Americans are in your gratitude.

Thank you, and God bless you all.

NOTE: The President spoke at 7:05 p.m. In his remarks, he referred to Adm. Richard C. Macke, USN, Commander in Chief, U.S. Pacific Command; Brig. Gen. Dwight M. Kealoha, USAF, Base Commander; and Mayor Jeremy Harris of Honolulu. A tape was not available for verification of the content of these remarks.

Letter to Congressional Leaders on Iran

November 18, 1994

Dear Mr. Speaker: (Dear Mr. President:)

I hereby report to the Congress on developments since the last Presidential report on May 14, 1994, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979, and matters relating to Executive Order No. 12613 of October 29, 1987. This report is submitted pursuant to section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c). This report covers events through October 18, 1994. My last report, dated May 14, 1994, covered events through March 31, 1994.

1. There have been no amendments to the Iranian Transactions Regulations, 31 CFR Part 560, or to the Iranian Assets Control Regulations, 31 CFR Part 535, since the last report.

2. The Office of Foreign Assets Control (FAC) of the Department of the Treasury continues to process applications for import licenses under the Iranian Transactions Regulations. However, a substantial majority of such applications are determined to be ineligible for licensing and, consequently, are denied.

During the reporting period, the U.S. Customs Service has continued to effect numerous seizures of Iranian-origin merchandise, primarily carpets, for violation of the import prohibitions of the Iranian Transactions Regulations. The FAC and Customs Service investigations of these violations have resulted in forfeiture actions and the imposition of civil monetary penalties. Additional forfeiture and civil penalty actions are under review.

3. The Iran-United States Claims Tribunal (the "Tribunal"), established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. Since my last report, the Tribunal has rendered 6 awards, bringing the total number to 557. Of this total, 373 have been awards in favor of American claimants. Two hundred twenty-five of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 150 were decisions adjudicated on the merits. The Tribunal has issued 38 decisions dismissing claims on the merits and 85 decisions dismissing claims for jurisdictional reasons. Of the 59 remaining awards, 3 approved the withdrawal of cases and 56 were in favor of Iranian claimants. As of October 18, 1994, the Federal Reserve Bank of New York reported that the value of awards to successful American claimants from the Security Account held by the NV Settlement Bank stood at \$2,353,030,872.61.

The Security Account has fallen below the required balance of \$500 million almost 50 times. Until October 1992, Iran periodically replenished the account, as required by the Algiers Accords. This was accomplished first by transfers from the separate account held

by the NV Settlement Bank in which interest on the Security Account is deposited. The aggregate amount transferred from the Interest Account to the Security Account was \$874,472,986.47. Iran then replenished the account with the proceeds from the sale of Iranian-origin oil imported into the United States, pursuant to transactions licensed on a case-by-case basis by FAC. Iran has not, however, replenished the account since the last oil sale deposit on October 8, 1992, although the balance fell below \$500 million on November 5, 1992. As of October 18, 1994, the total amount in the Security Account was \$203,349,297.01 and the total amount in the Interest Account was \$20,160,414.78.

The United States continues to pursue Case A/28, filed last year, to require Iran to meet its financial obligations under the Algiers Accords to replenish the Security Account.

4. Since my last report, the Tribunal has issued two significant awards in favor of U.S. citizens who are dual nationals, for their respective shares of corporations expropriated by Iran. The Tribunal awarded members of the Khosrowshahi family \$2,484,746.31 plus interest. The Tribunal awarded members of the Ebrahimi family \$5,265,697.00 plus interest.

5. The Department of State continues to present United States Government claims against Iran, in coordination with concerned government agencies, and to respond to claims brought against the United States by Iran. In July 1994, the United States filed a new case, Number A/29, seeking to compel Iran to make its payments for Tribunal expenses in a timely manner. Over the past 2 years, Iran has failed repeatedly to make its payments for extended periods of time, until pressed by the United States in Cases A/28 and A/29.

The United States also recently filed its Rejoinders in, respectively, Case A/15 (I:D and I:H), a claim brought by Iran for the return of certain amounts held in U.S. banks, and Case A/27, a claim brought by Iran for the alleged failure of the United States to enforce a Tribunal award in its favor against a U.S. national.

In August, the United States filed a Production Request in Case B/1, a case in which Iran alleges the United States is liable for termination costs and the nondelivery of goods and services under contracts through the Foreign Military Sales (FMS) program. The United States is seeking the return of FMS documents that remained in U.S. military offices in Iran after the Revolution.

6. United States arbitrator Howard Holtzmann, one of the original members of the Tribunal, resigned July 31, 1994, after 13 years of service. To replace him, the United States appointed Charles T. Duncan, who assumed his duties on August 1, 1994. Until his appointment, Mr. Duncan was Senior Counsel to the law firm of Reid & Priest.

7. As anticipated by the May 13, 1990, agreement settling the claims of U.S. nationals against Iran for less than \$250,000, the Foreign Claims Settlement Commission (FCSC) has continued its review of 3,112 claims. As of October 18, 1994, the FCSC has issued decisions in 3,066 claims, for total awards of more than \$68 million. The FCSC expects to complete its adjudication of the remaining claims this year.

8. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. Similarly, the Iranian Transactions Regulations issued pursuant to Executive Order No. 12613 continue to advance important objectives in combatting international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Thomas S. Foley, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

November 10¹

The President announced his intention to appoint David H. Swinton, Adele Simmons, Bobby Charles Simpson, and Chang-Lin Tien to the National Commission for Employment Policy.

November 11

In the morning, the President and Hillary Clinton traveled to Anchorage, AK. In the evening, they traveled to Manila, Philippines.

November 12

In the evening, the President and Hillary Clinton arrived in Manila, Philippines.

November 13

In the morning, following an arrival ceremony at the Malacanang Palace, the President and Hillary Clinton participated in a wreath-laying ceremony at the Rizal Monument. Later in the morning, they were given a tour of Corregidor Island.

In the afternoon, the President and Hillary Clinton toured Malacanang Palace before attending a state luncheon in the Ceremonial Room.

In the evening, the President and Hillary Clinton traveled to Jakarta, Indonesia.

November 14

In the morning, the President met with President Jiang Zemin of China in the Summit Room at the Jakarta Convention Center. Following the meeting, the President visited the Istiqlal Mosque. He then went to the U.S. Ambassador's residence where he met with Prime Minister Tomiichi Murayama of Japan.

In the afternoon, the President attended a working lunch with Prime Minister Paul Keating of Australia. He then met with President Kim Yong-sam of South Korea.

In the evening, the President attended an APEC leaders dinner at the Jakarta Convention Center. Following the dinner, he met with President Kim of South Korea and Prime Minister Murayama of Japan.

The President announced his intention to appoint Bonnie Prouty Castrey and Mary Jacksteit to the Federal Service Impasses Panel.

The President announced his intention to appoint Benjamin F. Montoya and Richard H. Truly as members of the Board of Visitors of the U.S. Naval Academy.

November 15

In the morning, the President went to Bogor, Indonesia, where he attended meetings with APEC leaders at the Istana Bogor.

Following a luncheon in the afternoon, the President continued his meetings with APEC leaders at the Istana Bogor.

November 16

In the morning, the President met with President Soeharto of Indonesia at the Istana Merdeka and then participated in a wreath-laying ceremony at the Kalibata National Heroes Cemetery.

In the afternoon, the President met with a group of American business people at the Jakarta Convention Center.

In the evening, the President and Hillary Clinton attended a state dinner hosted by President Soeharto at the Istana Negara. Following the dinner, they traveled to Oahu, HI.

November 17

In the evening, the President attended the Children's Discovery Center benefit and tribute to Gov. John Waihee at the Hilton Hawaiian Village in Kailua, HI.

Nominations Submitted to the Senate

¹ This announcement was not received in time for inclusion in the appropriate issue.

NOTE: No nominations were submitted to the Senate during the period covered by this issue.